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HOUSE BILL 665

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Richard D. Vigil

AN ACT

RELATING TO HEALTH INSURANCE; ALLOWING LOCAL SCHOOL BOARD MEMBERS TO PARTICIPATE IN THE PUBLIC SCHOOL INSURANCE AUTHORITY'S GROUP INSURANCE OR ALTERNATIVE HEALTH PLAN BENEFIT OPTIONS IF THEY PAY ONE HUNDRED PERCENT OF THE COSTS OF THE INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 22-5-5 NMSA 1978 (being Laws 1967, Chapter 16, Section 29) is amended to read:

"22-5-5. COMPENSATION--PROHIBITED EMPLOYMENT.--

A. Except as otherwise provided in Section 22-29-10 NMSA 1978, the members of a local school board shall serve without compensation.

B. No member of a local school board shall be employed in any capacity by a school district governed by that

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1 local school board during the term of office for which the
2 member was elected or appointed."

3 Section 2. Section 22-29-10 NMSA 1978 (being Laws 1989,
4 Chapter 373, Section 5, as amended) is amended to read:

5 "22-29-10. GROUP INSURANCE CONTRIBUTIONS.--

6 A. Group insurance contributions for school
7 districts, charter schools and participating entities in the
8 authority shall be made as follows:

9 (1) at least seventy-five percent of the cost
10 of the insurance of an employee whose annual salary is less
11 than fifteen thousand dollars (\$15,000);

12 (2) at least seventy percent of the cost of
13 the insurance of an employee whose annual salary is fifteen
14 thousand dollars (\$15,000) or more but less than twenty
15 thousand dollars (\$20,000);

16 (3) at least sixty-five percent of the cost of
17 the insurance of an employee whose annual salary is twenty
18 thousand dollars (\$20,000) or more but less than twenty-five
19 thousand dollars (\$25,000); or

20 (4) at least sixty percent of the cost of the
21 insurance of an employee whose annual salary is twenty-five
22 thousand dollars (\$25,000) or more.

23 B. Within available revenue, school districts,
24 charter schools and participating entities in the authority may
25 contribute up to eighty percent of the cost of the insurance of

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1 all employees.

2 C. Whenever a school district, charter school or
3 participating entity in the authority offers to its employees
4 alternative health plan benefit options, including health
5 maintenance organizations, preferred provider organizations or
6 panel doctor plans, the school district, charter school or
7 participating entity may pay an amount on behalf of the
8 employee and family member for the indemnity health insurance
9 plan sufficient to result in equal employee monthly costs to
10 the cost of the health maintenance organization plans,
11 preferred provider organization plans or panel doctor plans,
12 regardless of the percentage limitations in the Public School
13 Insurance Authority Act. School districts, charter schools and
14 participating entities in the authority may pay up to one
15 hundred percent of the first fifty thousand dollars (\$50,000)
16 of term life insurance.

17 D. Local school board members may participate in
18 group insurance or alternative health plan benefit options if
19 they pay one hundred percent of the cost of the insurance or
20 alternative health plan benefit."

21 Section 3. EFFECTIVE DATE.--The effective date of the
22 provisions of this act is July 1, 2005.

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